

FLOOD HAZARD NOTICE

Name and Address of Lender/Creditor: WESTERN BANCORP 5671 SANTA TERESA BLVD., SUITE 103 SAN JOSE, CALIFORNIA 95123 Phone No.: (408) 578-8700	Name(s)/Address(es) of Borrower(s):
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1. Notice to Borrower of Special Flood-Hazards

Notice is hereby given to

[Borrower]

that the building or mobile home securing the loan for which you have applied is or will be located in an area with special flood hazards. The area has been identified by the Director of the Federal Emergency Management Agency (FEMA) as a special flood hazard area using FEMA's **Flood Insurance Rate Map** or the **Flood Hazard Boundary Map** for the following community:

This area has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year. During the life of a 30-year mortgage loan, the risk of a 100-year flood in a special flood hazard area is 26 percent (26%).

Federal law allows a lender and borrower jointly to request the Director of FEMA to review the determination of whether the property securing the loan is located in a special flood hazard area. If you would like to make such a request, please contact us for further information.

2. Notice to Borrower about Federal Disaster Relief Assistance

Lender check (a) or (b)

☒ (a) Notice in Participating Communities

The community in which the property securing the loan is located participates in the National Flood Insurance Program (NFIP). Federal law will not allow us to make you the loan that you have applied for if you do not purchase flood insurance. The flood insurance must be maintained for the life of the loan. If you fail to purchase or renew flood insurance on the property, Federal law authorizes and requires us to purchase the flood insurance for you at your expense.

- Flood insurance coverage under the NFIP may be purchased through an insurance agent who will obtain the policy either directly through the NFIP or through an insurance company that participates in the NFIP. Flood insurance also may be available from private insurers that do not participate in the NFIP.
- At a minimum, flood insurance purchased must cover **the lesser of:**
 - (1) the outstanding principal balance of the loan; or
 - (2) the maximum amount of coverage allowed for the type of property under the NFIP. Flood insurance coverage under the NFIP is limited to the overall value of the property securing the loan minus the value of the land on which the property is located; or
 - (3) the full replacement cost value (RCV) of the building and/or contents securing the loan. The market value or land value on which the building is located has no bearing on the RCV of the building.
- Federal disaster relief assistance (usually in the form of a low-interest loan) may be available for damages incurred in excess of your flood insurance if your community's participation in the NFIP is in accordance with NFIP requirements.

☐ (b) Notice in Non-participating Communities

Flood insurance coverage under the NFIP is not available for the property securing the loan because the community in which the property is located does not participate in the NFIP. In addition, if the non-participating community has been identified for at least one year as containing a special flood hazard area, properties located in the community will not be eligible for Federal disaster relief assistance in the event of a Federally-declared flood disaster.



3. Statement of the Borrower

I/We, _____,
hereby acknowledge that on the date indicated below I have received a Notice to Borrower of Special Flood Hazards,
indicating that the property securing my loan is in an area identified as having special flood hazards, and a Notice to
Borrower about Federal Disaster Relief Assistance, indicating whether such assistance will or will not be available for such
property.

Loan Officer's Signature

Borrower Date

Borrower Date

Borrower Date

Borrower Date

Borrower Date

Borrower Date